

Attorney or Party Name, Address, Telephone & FAX Nos., State Bar No. & Email Address Lynda T. Bui, Trustee 3750 University Ave., Ste. 670 Riverside, CA 92501 Telephone: (951) 275-9300 Facsimile: (951) 275-9303 Email: trustee.bui@shbllp.com Chapter 7 Trustee <input checked="" type="checkbox"/> Individual appearing without attorney <input type="checkbox"/> Attorney for:	FOR COURT USE ONLY
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UNITED STATES BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA - RIVERSIDE DIVISION	
In re: LORI WOODWARD, Debtor(s).	CASE NO.: 6:12-bk-29378-MH CHAPTER: 7 NOTICE OF SALE OF ESTATE PROPERTY

Bids due by 01/21/2014 at 4:00 p.m.

Sale Date: Final Bidding Round 01/24/2014 at 9:30 a.m. Court Hearing 02/12/2014 at 11:00 a.m.	Time:
Location: See Attached.	

Type of Sale: ☒ Public ☐ Private **Last date to file objections:** 01/29/2014

Description of property to be sold: Real Property located at 1362 Bouquet Drive, Upland, CA 91785

Terms and conditions of sale: Free and clear of certain liens pursuant to Bankruptcy Code §§ 363(b)(1) and (f)
The total consideration to be paid is \$167,449.50, which includes (1) a bankruptcy fee "carve-out" of \$15,000 to be paid to the Estate, (2) real property taxes, (3) brokerage commissions, (5) closing costs, and (6) other monetary obligations the Estate as seller would normally pay at closing.
See attached for more information.

Proposed sale price: \$ 167,449.50

Overbid procedure (if any): Bids due by 01/21/2014 at 4:00 pm., and Final Biding Round to be held on 01/24/2014 at 9:30 a.m., at the law offices of Shulman Hodges & Bastian LLP located at 8105 Irvine Center Drive, Suite 600, Irvine, CA 92618. SEE ATTACHED FOR MORE INFORMATION ON THE BIDDING PROCEDURES.

If property is to be sold free and clear of liens or other interests, list date, time and location of hearing:

February 12, 2014 at 11:00 a.m.

Courtroom 303

U.S. Bankruptcy Court

3420 Twelfth Street

Riverside, CA 92501

Contact person for potential bidders (include name, address, telephone, fax and/or email address):

Lynda T. Bui, Chapter 7 Trustee

3750 University Ave., Ste. 670

Riverside, CA 92501

Telephone: (951) 275-9300

Facsimile: (951) 275-9303

Fax: (949) 340-3000

Email: trustee.bui@shbllp.com

Date: 12/23/2013

In re Lori Woodward
Case No. 6:12-bk-29378-MH

Attachment to Notice of Sale of Estate Property:

I. INTRODUCTION

Lynda T. Bui, the Chapter 7 trustee ("Trustee") for the bankruptcy estate ("Estate") of Lori Woodward ("Debtor"), is bringing a Motion for Order: (1) Authorizing the Short Sale of Real Property of the Estate, to the Highest Bidder, Free and Clear of Liens Pursuant to Bankruptcy Code §§ 363(b) and (f), Combined With Notice of Bidding Procedures to Be Conducted Prior to the Court Hearing and Request for Approval of Bidding Procedures Utilized; (2) Approving Payment of Real Estate Commission; and (3) Granting Related Relief Including Use of Sale Proceeds to Reimburse Trustee for Actual Costs Incurred ("Sale Motion").

Subject to the Final Bidding Round (defined below) to be conducted by the Trustee or her agent on **January 24, 2014 at 9:30 a.m.**, this is a **short sale** of real property located at **1362 Bouquet Drive, Upland, CA 91785** ("Property"). The Trustee proposes to conduct the short sale free and clear of liens under Bankruptcy Code sections 363(f)(1), (2) and (5).

The Trustee has received an offer from ERE Investments, LLC ("Buyer") to purchase the Property free and clear of all liens for total consideration of \$167,449.50, which includes approved discounted payoffs to the senior lienholder of \$129,709.80 and the junior lienholder of \$2,000, a bankruptcy fee "carve-out" for the Estate of \$15,000, a \$1,000 bankruptcy document preparation fee payable to the Estate, and numerous other costs, including but not limited to escrow charges, title charges and documentary transfer taxes. All proposed payments through escrow on the sale are subject to the senior lienholder's approval, who has provided written approval of the short sale payoff on its loan - see **Exhibit 5 annexed to the Declaration of Lynda T. Bui annexed to the Sale Motion** ("Bui Declaration").

This is a true short sale as the total consideration is less than the total amount owed to the senior lienholder. The agent for the senior lienholder on the Property,

Ocwen Loan Servicing, LLC¹ ("Ocwen"), has provided written approval of the sale and to complete the short sale process, requested that the Trustee file this Sale Motion.² Thus, the Trustee believes that Ocwen as servicing agent for the senior and junior lienholders will have no objection to the sale as proposed (i.e. the first and second priority liens will be paid at the reduced amounts agreed to by the senior lienholder as full satisfaction of the liens, all approved costs will be paid through escrow and the Estate will receive the benefit of a proposed \$15,000 carve-out.) The Trustee understands (and as is customary) that at closing, Ocwen may want to negotiate the final allowed or disallowed costs and/or the final payoff to the senior lienholder. Provided that the Estate receives the proposed \$15,000 carve-out at closing, the Trustee requests authorization to work with and agree with the senior lienholder and its agent to resolve the allowance and disallowance of costs and/or payoff amounts as part of the escrow closing without the need for further notice, hearing or Court order. With the senior lienholder payoff increasing every month, the Trustee believes that the sale must not be delayed and the Property must be sold as soon as possible in order to maximize the benefit for the Estate.

If this Sale Motion is not approved, any and all benefit to the Estate will be completely lost as it is likely that the senior lienholder will foreclose on the Property on account of its underwater status and the delinquent obligations. As will be discussed further below, the Trustee believes that good cause exists to grant the Sale Motion so the Trustee does not lose this favorable business opportunity.

¹ The preliminary title report indicates U.S. Bank N.A. in its capacity as trustee for the registered holders of Master Asset Backed Securities Trust 2005-NC2, Mortgage Pass-through Certificates, Series 2005-NC2 is the holder of the first trust deed on the Property. In her Schedules, the Debtor identified the holder of the first trust deed as being "Ocwen Loan". The preliminary title report lists the second priority lien to be held by New Century Mortgage Corporation. In her Schedules, the Debtor identified the holder of the second trust deed as being "Ocwen Loan".

² The proposed carve-out payment to the Estate was indicated in the HUD-1 estimated closing statement included in the package submitted to the lienholder's agent. Following receipt of the proposed short sale package, Ocwen provided written approval of the short payoff amounts described herein.

1 II. **RELEVANT FACTS**

2 **A. Case Commencement**

3 The Debtor commenced her bankruptcy case under Chapter 7 by filing a
4 Voluntary Petition on August 21, 2012.

5 Lynda T. Bui is the duly appointed, qualified and acting Chapter 7 trustee for the
6 Estate.

7 **B. The Property**

8 An “asset”³ of the Estate is the Debtor’s interest in the Property located in San
9 Bernardino County at 1362 Bouquet Drive, Upland, CA 91785. The Property is legally
10 described as stated in the Preliminary Title Report dated December 2, 2013, a true and
11 correct copy of which is attached to the as **Exhibit 1 to the Bui Declaration annexed**
12 **to the Sale Motion** and incorporated herein by this reference.

13 In her Schedules, the Debtor valued the Property at \$150,000 and listed a first
14 priority lien of \$292,000, and a second priority lien of \$42,676, both in favor of Ocwen.
15 The Debtor has not claimed an exemption in the Property. True and correct copies of
16 the Debtor’s Schedules A, C and D are attached to the as **Exhibit 2 to the Bui**
17 **Declaration annexed to the Sale Motion.**

18 **C. Employment of Real Estate Broker**

19 On January 11, 2013, the Trustee filed an application to employ Kristian Peter of
20 San Diego REO Specials as her real estate broker (“Broker”) (“Employment
21 Application”) (docket number 15) to assist her with effectively listing and marketing the
22 Property for sale, as well as negotiating a short sale with the senior lienholder and sale
23 price to prospective buyers to provide a benefit to the Estate. The listing agreement
24 called for real estate commission to be paid of six percent of the sale price (includes
25 fees for short sale negotiation). The Employment Application was approved pursuant
26 to Court order entered on February 14, 2013 (docket number 20).

27
28 ³ It should be noted that on its face, the Property has no equity. Through Trustee’s and
her Broker’s hard work, the Trustee has created an “asset” of a case that is otherwise is a no
“asset” case.

D. Basis for the Value of the Property

The Broker has more than ten years of experience in the sale of real property as well as property valuations and is familiar with valuing real property in today's economic environment. The Broker listed the Property on the MLS for \$150,000 (the Debtor's scheduled value).

From his over ten years of experience with short sales, the Broker is aware that the lenders will often obtain their own appraisals or otherwise determine the fair market value of the subject real property before approving the short sale. It is also not uncommon for lenders to counter with the price they obtained the appraisal for if it is higher than the offer price. In this case, the short sale and proposed discounted payoff of \$129,709.80 to the senior lienholder and \$2,000 to the junior lien has been approved by Ocwen as the servicing agent - see **Exhibit 5 to the Bui Declaration annexed to the Sale Motion**. To complete the short sale process, the Trustee has file this Sale Motion. As such, the Broker believes that Ocwen has obtained its own appraisal of the Property – and has determined the fair market value – before approving the short sale herein.

E. Marketing of the Property for Sale

The Property has been on the market for over one year. Following the listing of the Property for sale on the MLS, realtors and potential buyers were encouraged to present all offers. There were at least nine inquiries and at least four offers. The Broker reviewed all initial purchase offers for the Property. Following the review of the multiple offers, the Broker sent out requests to all interested parties and/or their agents to submit the highest and best bids for the Property. The Buyer's offer is the highest and best offer received by the Trustee following the Broker's bidding process.

F. Liens and Encumbrances Against the Property and Their Proposed Treatment Through the Sale

From the Debtor's Schedules and the Preliminary Title Report the Trustee believes that the total liens against the Property exceed \$335,000. The following chart

sets forth and accounts for all of the recorded liens and encumbrances against the Property described in the Preliminary Title Report and their proposed treatment through the sale:

<u>Creditor</u> ⁴	<u>Description</u>	<u>Estimated Amount Owed</u>	<u>Proposed Payout Amount</u>	<u>Treatment of Lien Through the Sale</u>
San Bernardino County Treasurer and Tax Collector	Real property taxes	Less than \$1,000	Payment in full of defaulted taxes (if any) and pro-rata payment on current tax bill.	All outstanding real property taxes will be paid in full through escrow on the sale transaction
Ocwen as servicing agent for the first priority lienholder on the Property	Current beneficiary of a first priority deed of trust recorded August 12, 2005, recording number 2005-0594598. Listed in the Debtor's Schedules as being owed \$292,000.	\$292,000	\$129,709.80 (amount agreed to by Ocwen)	This lien will be paid through escrow on the sale of the Property in the amount approved by Ocwen as servicing agent for the senior lienholder. Thus, this lien will be released, discharged and terminated at the close of escrow and the Property will be sold free and clear of this lien and the lien will not attach to the sale proceeds.

⁴ The preliminary title report indicates U.S. Bank N.A. in its capacity as trustee for the registered holders of Master Asset Backed Securities Trust 2005-NC2, Mortgage Pass-through Certificates, Series 2005-NC2 is the holder of the first trust deed on the Property. In her Schedules, the Debtor identified the holder of the first trust deed as being "Ocwen Loan". The preliminary title report lists the second priority lien to be held by New Century Mortgage Corporation. In her Schedules, the Debtor identified the holder of the second trust deed as being "Ocwen Loan".

<u>Creditor</u> ⁴	<u>Description</u>	<u>Estimated Amount Owed</u>	<u>Proposed Payout Amount</u>	<u>Treatment of Lien Through the Sale</u>
Ocwen as servicing agent for the second priority lienholder on the Property	Current beneficiary of a second priority deed of trust recorded August 12, 2005, recording number 2005-0594599. Listed in the Debtor's Schedules as being owed \$42,676.	\$42,676	\$2,000	This lien will be paid through escrow on the sale of the Property in the amount approved by Ocwen as servicing agent for the senior lienholder. Thus, this lien will be released, discharged and terminated at the close of escrow and the Property will be sold free and clear of this lien and the lien will not attach to the sale proceeds.
Bouquet Estate Owners Association	Delinquent owner's assessments, recording on October 10, 2013, recording number 2013-0442793	\$3,481.87 (amount stated on the HUD-1)	\$3,481.87	All outstanding owner's association assessments will be paid in full through escrow on the sale transaction.

G. Summary of the Purchase Offer and Summary of the Sale Terms

The Trustee has received the highest and best offer from the Buyer to purchase the Property for the total consideration of \$167,449.50, which includes (1) approved discounted payoffs to the senior lienholder of \$129,709.80 and the junior lender of \$2,000, (2) a bankruptcy fee "carve-out" of \$15,000, plus a \$1,000 bankruptcy document preparation fee, both payable to the Estate, (3) real property taxes and owners' association dues, (4) brokerage commissions, (5) closing costs, and (6) other monetary obligations the Trustee on behalf of the Estate as the seller of the Property would normally need to pay at the close of escrow.⁵ This is a true short sale as the carve-out for the Estate and the other costs of sale will be from funds that would otherwise go to the senior lienholder on the Property based on the large debt it is owed.

⁵ Except for the carve-out, all other costs are subject to final acceptance and approval by the senior lienholder.

Attached as **Exhibit 3 to the Bui Declaration annexed to the Sale Motion** is a true and correct copy of the Residential Purchase Agreement and Joint Escrow Instructions and related addendum (collectively, the "Agreement") for which the Trustee is seeking Court approval. Attached as **Exhibit 4 to the Bui Declaration annexed to the Sale Motion** is a true and correct copy of the HUD-1 estimated settlement statement for the transaction.

A summary⁶ of the terms and highlights of the Agreement between the Trustee and the Buyer are discussed below:

Buyer:	ERE Investments LLC 4242 Louise Avenue Encino, CA 91316
Purchase Price:	Purchase price of \$149,000. In addition, the Buyer will pay (1) a carve-out payment of \$15,000 to the Estate, plus \$1,000 for bankruptcy document preparation fees, (2) all closing costs and other monetary obligations the Agreement requires the Trustee on behalf of the Estate as the seller of the Property to pay at the close of escrow (including but not limited to escrow charges, title charges, documentary transfer taxes). Cash to be paid by the Buyer at closing – the total consideration to be paid by the Buyer is \$167,449.50.
Escrow Holder and Escrow Closing Date:	The escrow holder shall be First California Escrow, 1110 Camino Del Mar, Suite G, Del Mar, CA 92104. Escrow is scheduled to close as soon as possible after Court approval of the sale.

⁶ The summary and discussion are not meant to be a complete review of every provision of the Agreement.

<p>Costs of Sale and Payments Through Escrow (including Real Estate Agent Commission)</p>	<ul style="list-style-type: none"> • Outstanding real property taxes shall be paid.⁸ • \$129,709.80 to Ocwen as the servicing agent for the senior lienholder in full satisfaction of the first priority lien. • \$2,000 to Ocwen as the servicing agent for the junior lienholder in full satisfaction of the first priority lien. • 6% broker's commission, or \$8,940, to be split between the Trustee's Broker, Kristian Peter of San Diego REOS Specialists in the amount of \$5,960, and Buyer's real estate broker, Rachel Crawford of Keller Williams Realty in the amount of \$2,980. • \$15,000 to the Trustee on behalf of the Estate (Carve-Out Amount). The Trustee on behalf of the Estate shall retain the Carve-Out Amount in the Estate free and clear of any liens of interests, to compensate the Estate inter alia for its efforts in connection with the sale of the Property. • \$1,000 payable to the Estate for bankruptcy document preparation fees. The Trustee on behalf of the Estate shall retain the fees in the Estate free and clear of any liens of interests. • Payment of closing costs and other monetary obligations the Agreement requires the Trustee on behalf of the Estate as the seller of the Property to pay at the close of escrow (including but not limited to escrow charges, title charges, documentary transfer taxes) without requiring the Estate to place any funds into escrow or have any continuing obligation to the senior lienholder. • Payment of the balance of the sale proceeds, if any, to Ocwen as the servicing agent for the senior lienholder. In the event the sale of the Property closes on a successful overbid, subject to Court and senior lienholder approvals, the senior lienholder and the Trustee will split the excess net sale proceeds beyond that of the Buyer's purchase offer.
<p>Bankruptcy Court Approval</p>	<p>The sale is expressly conditioned on approval of the United States Bankruptcy Court for the Central District of California and entry of final order approving this Sale Motion.</p>
<p>Final Approval From Senior Lienholder</p>	<p>Except for the carve-out to the Estate, all other costs are subject to final acceptance and approval by Ocwen as the servicing agent for the senior lienholder.</p>

⁷ If necessary, given that this is a short sale, the Trustee may be seeking a carve-out from the Broker to make sure that there will be sufficient funds in the Estate to make a meaningful distribution.

⁸ All real property taxes and assessments for the current tax year shown in the current county tax bill shall be prorated between Seller and Buyer and charged as of the closing date to the applicable accounts of Seller and Buyer.

1 2 3 4 5 6 7	Terms of Sale - Purchase Without Warranties	Buyer acknowledges that Buyer is purchasing the Property from the Seller "AS IS" without warranties of any kind, expressed or implied, being given by the Seller, concerning the condition of the property or the quality of the title thereto, or any other matters relating to the Property. Buyer represents and warrants that Buyer is purchasing the Property as a result of its own investigations and is not buying the Property pursuant to any representation made by any broker, agent, accountant, attorney or employee acting at the direction, or on the behalf of the Seller, except as expressly set forth in the Agreement. Buyer acknowledges that Buyer has inspected the Property, and upon closing of Escrow governed by this Agreement, Buyer forever waives, for itself, its heirs, successors and assigns, all claims against the Debtor, her attorneys, agents and employees, the Estate, Lynda T. Bui as Trustee and individually, and her attorneys, the law firm for which she is associated, her agents and employees, arising or which might otherwise arise in the future concerning the Property
8 9 10 11 12	Terms of Sale - Free and Clear of Liens and Encumbrances	The sale of the Property shall be free and clear of all liens, claims, interests and encumbrances pursuant to Bankruptcy Code Section 363(f). The Property shall be delivered to the Buyer free and clear of all liens and encumbrances. Out of an abundance of caution, any liens and interests against the Property that are not paid/resolved through escrow shall attach to the residual sale proceeds, if any , (but excluding the Estate's carve-out amount of \$15,000 and \$1,000 bankruptcy document preparation fes) that may be generated through the sale with the same force, effect, validity, and priority as such liens or interests had with respect to the Property prior to the sale
13 14 15	Terms of Sale - Good Faith Finding	The proposed sale has been brought in good faith and has been negotiated on an "arms length" basis. The negotiations with the Buyer have resulted in an offer to sell the Estate's interest in the Property that will have substantial benefit. Accordingly, the sale is in good faith and should be approved. The Trustee shall request such a finding pursuant to Bankruptcy Code Section 363(m) at the hearing on this Sale Motion.
16 17 18	Terms of Sale - Waiver of Rule 6004(h)	The Trustee requests that the Court waive the fourteen-day stay of the order approving the sale of the Property under Federal Rules of Bankruptcy Procedure 6004(h) such that the sale of the Property can close as soon as possible after entry of the Court order approving the Sale Motion and the Agreement.

H. Tax Consequences

This is a short sale. The sale will be for less than the Debtor's original purchase price and improvement costs attributed to the Property. In addition, this Property appears to be the Debtor's primary residence as of the Petition Date. It is anticipated that there will be no tax liability generated from the sale.

I. Notice of Bidding Date and Deadline, Bidding Procedures and Process for Closing on the Sale Transaction

To ensure that the Estate and the senior lienholder receive the most value for the Property, the Trustee seeks approval of and will be utilizing the following reasonable and comprehensive bidding procedures ("Bidding Procedures"):

1. Qualified Bidders and Bid Deadline.

To qualify and be a Qualified Bidder, an interested buyer must do the following:

- Submit in writing and be received by the Trustee to the attention of Lynda T. Bui on or before **4:00 p.m. (California time) January 21, 2014** the interested buyer's intent to participate in the overbidding process.

- Submit an overbid in writing of at least \$10,000 over the consideration offered by the Buyer, or a total consideration of **\$177,449.50**. **The bid shall also be without contingencies other than Bankruptcy Court approval for the sale. In other words, the Qualified Bidder shall have conducted its own inspection of the Property.**

- The overbid must be accompanied by certified funds in an amount equal to three percent of the overbid purchase price.

- **The overbidder must also provide evidence of having sufficient specifically committed funds to complete the transaction or a lending commitment for the bid amount and such other documentation relevant to the bidder's ability to qualify as the purchaser of Property and ability to close the sale and immediately and unconditionally pay the winning bid purchase price at closing.**

2. Bidding Terms and Final Bidding Round.

- The initial bid price shall be at least **\$10,000 over the consideration offered by the Buyer, or a total consideration of \$177,449.50**. Minimum bid increments thereafter shall be \$2,000.

- The Qualified Bidder must seek to acquire the Property on terms and conditions not less favorable to the Estate than the terms and conditions to which the Buyer has agreed to purchase the Property as set forth in the Buyer's Agreement, including closing on the sale in the same time parameters as the Buyer.

- All competing bids must acknowledge that the Property is being sold on an "AS IS" basis without warranties of any kind, expressed or implied, being given by the Seller, concerning the condition of the Property or the quality of the title thereto, or any other matters relating to the Property. The competing bid buyer must represent and warrant that he/she is purchasing the Property as a result of their own investigations and are not buying the Property pursuant to any representation made by any broker, agent, accountant, attorney or employee acting at the direction, or on the behalf of the Seller. The competing bidder must acknowledge that he/she has inspected the Property, and upon closing of Escrow governed by the Agreement, the Buyer forever waives, for himself/herself, their heirs, successors and assigns, all claims against the Debtor, their attorneys, agents and employees, the Estate, Lynda T. Bui as Trustee and individually, and her attorneys, agents and employees, arising or which might otherwise arise in the future concerning the Property.

- If overbids are received from one or more Qualified Bidders, in order to allow all Qualified Bidders and Buyer to increase their bids, a final bidding round shall be conducted by the Trustee or her agent on **January 24, 2014 at 9:30 A.M.**, at the law offices of Shulman Hodges & Bastian LLP located at 8105 Irvine Center Drive, Suite 600, Irvine, CA 92618 ("Final Bidding Round").

- At the Final Bidding Round, all Qualified Bidders will be permitted to

1 increase their bids. The bidding shall start at the price proposed to be paid in the
2 highest Qualified Bid, as determined in Trustee's sole discretion, and continue in
increments of at least \$2,000.

3 • The Trustee may adopt rules for the bidding process at the Final Bidding
4 Round that, in her reasonable judgment, will better promote the goals of the bidding
5 process. All such rules will provide that: (i) the procedures must be fair and open, with
6 no participating Qualified Bidder disadvantaged in any material way as compared to any
7 other Qualified Bidder, (ii) all bids shall be made and received in one room, on an open
8 basis, and all other bidders shall be entitled to be present for all bidding with the
understanding that the true identity of each bidder shall be fully disclosed to all other
9 bidders and that all material terms of each bid will be fully disclosed to all other bidders
throughout the entire open bidding process, and (iii) no Qualified Bidder will be
permitted more than five minutes to respond to the previous bid at the open Final
Bidding Round, and failure to respond within such time period shall disqualify such
bidder from further eligibility to bid at the open Final Bidding Round.

10 • Only a Qualified Bidder who has submitted a bid is eligible to participate at
the open Final Bidding Round.

11 • At the Final Bidding Round, the Trustee shall (i) review each overbid on
12 the basis of financial and contractual terms, fewest contingencies, factors relevant to the
13 sale process including length of time to close sale, highest non-refundable deposit, and
14 factors affecting the speed and certainty of consummating the sale, and (ii) in the
exercise of the Trustee's business judgment, identify the Qualified Bidder who has
15 made the highest and best offer to purchase the Property, consistent with the Bidding
Procedures ("Successful Bidder"). In addition, to identifying the Successful Bidder, the
Trustee may identify at least two-back up bids (the "First Back-Up Bidder" and "Second
Back-Up Bidder").

16 • The Trustee shall have sole discretion in determining which overbid is the
best for the Estate and will seek approval from the Court of the same.

17 3. Court Approval of the Sale Transaction and Closing.

18 • At the hearing on the Sale Motion, the Trustee will seek entry of an order,
19 *inter alia*, authorizing and approving the sale of the Property to the Successful Bidder
and if applicable, approval of the bids received from the First Back-Up Bidder and
20 Second Back-Up Bidder.

21 • The hearing on the Sale Motion may be adjourned or rescheduled without
notice other than by an announcement of the adjourned date at the hearing on the Sale
22 Motion.

23 • In the event the Successful Bidder fails to close on the sale of the Property
within the time parameters approved by the Court, the Trustee shall retain the
24 Successful Bidder's deposit and will be released from her obligation to sell the Property
to the Successful Bidder and the Trustee may then sell the Property to the First Back-
Up Bidder selected by the Trustee and approved by the Court at the hearing on the Sale
25 Motion.

26 • In the event First Back-Up Bidder fails to close on the sale of the Property
within the time parameters approved by the Court, the Trustee shall retain the First
27 Back-Up Bidder's deposit and will be released from her obligation to sell the Property to
the First Back-Up Bidder and the Trustee may then sell the Property to the Second
28 Back-Up Bidder selected by the Trustee and approved by the Court at the hearing on
the Sale Motion.

1 **Any questions regarding the Bidding Procedures should be directed to the**
2 **Trustee at 3750 University Ave., Ste. 670, Riverside, CA 92501; telephone 949-340-**
3 **3400; facsimile 949-340-3000 or email at Trustee.Bui@shbllp.com.**

4 The Bidding Procedures are fair and intended to provide for a “level playing field”
5 for all prospective bidders. The Bidding Procedures establish a reasonable but
6 expeditious timeline for allowing the Trustee to give notice of the proposed sale and
7 qualified bidders to conduct reasonable due diligence and submit competing offers,
8 thereby potentially generating additional value for the Property. As such, the Bidding
9 Procedures should be approved.

10 Subject to Court and senior lienholder approvals, the senior lienholder and the
11 Trustee will split the excess net sale proceeds in the event the sale of the Property
12 closes on a Successful Bidder.

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PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is: **8105 Irvine Center Drive, Suite 600, Irvine, California 92618**

A true and correct copy of the foregoing document entitled (*specify*): **NOTICE OF SALE OF ESTATE PROPERTY** will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (*date*) **December 23, 2013**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

- **Lynda T. Bui (TR)** trustee.bui@shblp.com, C115@ecfbis.com **Chapter 7 Trustee**
- **United States Trustee (RS)** ustpregion16.rs.ecf@usdoj.gov **U.S. Trustee**
- **Christopher P Walker** cwalker@cpwalkerlaw.com, lhines@cpwalkerlaw.com **Debtor's Attorney**

☐ Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On (*date*) **December 23, 2013**, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☒ Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (*state method for each person or entity served*): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (*date*) **December 23, 2013**, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

Judge's Copy – Via Messenger

US Bankruptcy Court, Hon Mark D. Houle, 3420 Twelfth St., Bin Outside Courtroom 303, Riverside, CA 92501

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

December 23, 2013

Date

Lorre Clapp

Printed Name

/s/ Lorre Clapp

Signature

U.S. MAIL SERVICE LIST

Buyer

ERE Investments LLC
Attn Eran Fattal, Managing Member
4242 Louise Avenue
Encino, CA 91316

Buyer's Broker

Rachael Crawford
Keller Williams
800 West Valley Parkway Suite 203
Escondido, CA 92025

Trustee's Broker

Kristian Peter
SDREOS
2433 Fenton St Suite B
Chula Vista, CA 91914

Secured Party

San Bernardino County Treasurer and Tax Collector
172 West Third Street, First Floor
San Bernardino, CA 92415-0360

Secured Party

Ocwen Loan Servicing LLC
Attn Short Sale Department
1661 Worthington Road Suite 100
West Palm Beach, FL 33409

CONTINUED ON FOLLOWING PAGE

U.S. MAIL SERVICE LIST CONTINUED.

DEBTOR

LORI WOODWARD
26472 ARBORETUM WAY
UNIT 2208
MURRIETA, CA 92563-7267

COURT NOTICE MATRIX

BENEFICIAL/HFC
PO BOX 3425
BUFFALO, NY 14240

COURT NOTICE MATRIX

CAP ONE
PO BOX 5253
CAROL STREAM, IL 60197

COURT NOTICE MATRIX

CAPITAL RECOVERY V LLC
C/O RECOVERY MANAGEMENT
SYSTEMS CORP
25 SE 2ND AVE SUITE 1120
MIAMI FL 33131-1605

COURT NOTICE MATRIX

FRANCHISE TAX BOARD
ATTN: BANKRUPTCY
P.O. BOX 2952
SACRAMENTO, CA 95812-2952

COURT NOTICE MATRIX

KOHL/CAPONE
N56 W 17000 RIDGEWOOD DR
MENOMONEE FALLS, WI 53051

COURT NOTICE MATRIX

PYOD LLC ITS SUCCESSORS AND
ASSIGNS AS ASSIGNEE
OF FNBM LLC
RESURGENT CAPITAL SERVICES
PO BOX 19008
GREENVILLE, SC 29602-9008

RETURNED MAIL

INTERESTED PARTY

UNITED STATES TRUSTEE (RS)
3801 UNIVERSITY AVENUE, SUITE 720
RIVERSIDE, CA 92501-3200

COURT NOTICE MATRIX

BENFCL/HFC
PO BOX 3425
BUFFALO, NY 14240

COURT NOTICE MATRIX

CAPITAL ONE BANK (USA), N.A.
PO BOX 71083
CHARLOTTE, NC 28272-1083

COURT NOTICE MATRIX

CREDIT ONE BANK
PO BOX 98875
LAS VEGAS, NV 89193

COURT NOTICE MATRIX

GE CAPITAL RETAIL BANK
C/O RECOVERY MANAGEMENT SYSTEMS
CORP
25 SE 2ND AVE SUITE 1120
MIAMI FL 33131-1605

COURT NOTICE MATRIX

MCYDSNB
9111 DUKE BLVD
MASON, OH 45040

COURT NOTICE MATRIX

RECOVERY MANAGEMENT SYSTEMS
CORPORATION
25 SE 2ND AVENUE SUITE 1120
MIAMI, FL 33131-1605

UNDELIVERABLE, RETURN TO WRITER

COURT NOTICE MATRIX

CAP ONE
PO BOX 85064
GLEN ALLEN, VA 23058

COURT NOTICE MATRIX

BOQUET ESTATES OWNERS ASSOCIATION
675 WEST FOORTHILL BLVD SUITE 104
CLAREMONT CA 91711

COURT NOTICE MATRIX

BOUQUET ESTATES ASSOCIATION
P.O. BOX 5022
UPLAND, CA 91785

COURT NOTICE MATRIX

CAPITAL ONE N.A
C/O BECK AND LEE LLP
POB 3001
MALVERN, PA 19355-0701

COURT NOTICE MATRIX

FIRST PREMIER BANK
601 S MINNESOTA AVE
SIOUX FALLS, SD 57104

COURT NOTICE MATRIX

INTERNAL REVENUE SERVICE
P.O. BOX 7346
PHILADELPHIA, PA 19101-7346

COURT NOTICE MATRIX

OCWEN LOAN
1661 WORTHINGTON R STE 100
WEST PALM BEAC, FL 33409

COURT NOTICE MATRIX

SEARS
P.O. BOX 49352
SAN JOSE, CA 95161-9352

NOT DELIVERABLE AS ADDRESSED

COURT NOTICE MATRIX

GEICB/LIVING SPACES
PO BOX 981439
EL PASO, TX 79998